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SKYLINE HOTELS LIMITED

ANNUAL REPORT - 1973

EL PANAMÁ SKYLINE

PANAMÁ, REPUBLIC OF PANAMÁ



The hotel complex as it will look when complete

The newest addition to our ever increasing world

Panamá the Crossroads of the Americas, International centre of trade, Commerce and shipping, beautiful resort area.

And now, Skyline is there with a luxury 270 room hotel set in a private 16 acre garden in the heart of the city.

With every modern amenity; fine cuisine; good entertainment; splendid group facilities —

an ideal location for both business and pleasure offering typical Skyline service and hospitality.

A \$14,000,000 expansion and renovation programme is underway including a 300 guest room addition which will place the facilities among the world's finest.

As with all our hotels, we now can say, "Come Home to El Panamá Skyline".

UNITED STATES

DEPARTMENT OF COMMERCE

ANNUAL REPORT 1972

THE SKYLINE

REACHES THE

PACIFIC

REACHES THE

REACHES THE

PACIFIC

Operating income	\$26,797,203	\$24,528,956	+ 9%
Operating expenses	975,009	932,113	+ 5%
Net income	274	234	+ 17%
Operating income before taxes	\$ 613,613	\$ 506,715	+ 21%
Tax expense	274	234	+ 17%
Operating income after taxes	\$ 613,613	\$ 506,715	+ 21%
Net income	274	234	+ 17%
Operating income before taxes	\$ 2,219,766	\$ 2,236,730	+ 4%
Tax expense	994	954	+ 4%

Operating income before taxes is shown in thousands of dollars. All other figures are in millions of dollars. Figures for 1972 are preliminary.

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EL PANAMÁ SKYLINE

PANAMÁ, REPUBLIC OF PANAMA

SKYLINE REACHES THE PACIFIC

The hotel complex as it will be.

The newest addition to our ever increasing world

Panamá the Crossroads of the Americas, International centre of trade, Commerce and shipping, beautiful resort area.

And now, Skyline is there with a luxury 375 room hotel set in a private 16 acre garden in the heart of the city.

With every modern amenity; fine cuisine, good entertainment; splendid group facilities --

an ideal location for both business and pleasure offering typical Skyline service and amenities.

A \$14,000,000 expansion and renovation programme is underway including a 100 room addition which will place the hotel among the world's finest.

As with all our hotels, we now want you to "Come Home to El Panamá Skyline".

SKYLINE HOTELS LIMITED

and subsidiaries

ANNUAL REPORT 1973

THE SKYLINE GROUP

CANADA

SKYLINE HOTELS LIMITED
SKYLINE HOTELS (MONTREAL) LIMITED

ENGLAND

SKYLINE HOTELS INTERNATIONAL LIMITED
SKYLINE HOTELS (LONDON) LIMITED

JAMAICA

SKYLINE HOTELS (CARIBBEAN) LIMITED

FINANCIAL HIGHLIGHTS

YEAR ENDING DECEMBER 31, 1973

WITH 1972 COMPARISONS

	1973	1972	% increase
Gross revenue	\$26,797,203	\$24,526,958	+ 9%
Earnings after current income taxes payable ..	975,039	923,118	+ 6%
Per Share	44¢	41¢	
Earnings before extraordinary items	\$ 613,613	\$ 506,715	+21%
Per Share	27¢	23¢	
Net Earnings	\$ 613,613	\$ 430,693	+42%
Per Share	27¢	19¢	
Cash flow from operations	\$ 2,219,766	\$ 2,126,730	+ 4%
Per Share	99¢	95¢	
Number of shares outstanding*	2,240,000	2,240,000	

*After subdivision of shares on a two-for-one basis in 1972

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TO THE SHAREHOLDERS

Your Company during 1973 continued to increase its profits, produce a larger cash flow and at the same time had a very gratifying sales improvement. The net earnings per share are up by 42% from 19¢ per share in 1972 to 27¢ per share in 1973.

While the following pages indicate the financial picture this, in my opinion, is but a part of the report you as a shareholder are interested in receiving. The other aspect of our operation is the provisions we are making for the future.

Continuing its course of planned growth your Company, as you know, in June of 1973 opened Skyline Park Tower, a 300 room luxury hotel in Central London, England. This hotel received immediate public acceptance of its amenities and for its dining facilities. Although, the recent international energy situation and U.K. restrictive regulations had a dampening effect during the latter part of 1973 on the operating results of our two London properties, current business indicates a steady upward trend.

In the middle of 1973, we acquired a leasehold interest in the renowned Old Mill, in Toronto. After a temporary closing for renovation and restoration work and a considerable building program, the facilities are

being reopened on a three stage basis. Stage I opened in late October — Stage II was completed in early 1974 and Stage III will be finished in June of this year. We are pleased to report that public response has been most encouraging.

Skyline Toronto is currently in the middle of a construction program consisting of 200 additional guest rooms, seven meeting rooms and an area leased to a Canadian Chartered Bank. These new facilities are planned for completion in September of 1974.

Negotiations conducted in late 1973 culminated in an agreement to provide Technical Services and Management to operate, renovate and expand Hotel El Panama, which has been named El Panama Skyline, Panama, R.P. This operation is having a considerable and favourable impact on the results of your Company in 1974. As we said in our release to the press Skyline reaches the Pacific.

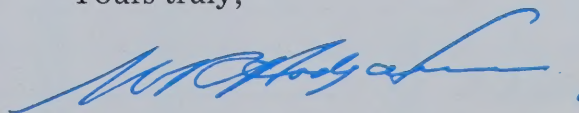
To keep in balance with expanded physical facilities, we set up Sales and Reservations Offices in late 1973 in Paris, France; Frankfurt, Germany and New York and reservation representation in six locations in New Zealand and Australia.

We feel that 1973 operations progressed on a sound basis and as 1974 unfolds corresponding results in the form of good continuation of profits, cash flow and sales will materialize.

On the personnel side of the program, I am very gratified at the progress of our younger executives to whom we are looking for our management in the future. I am also most appreciative of the untiring help of my Board, our management team and staff.

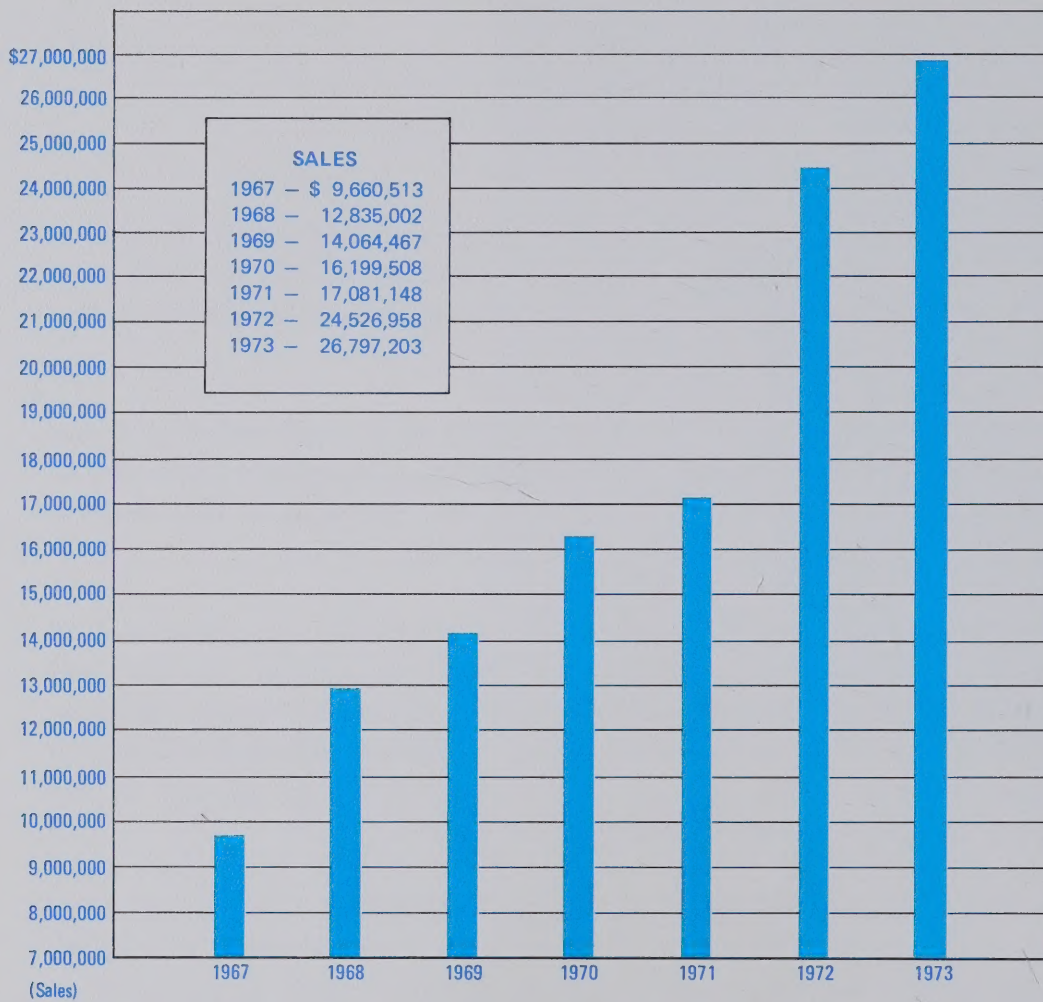
I remain,

Yours truly,

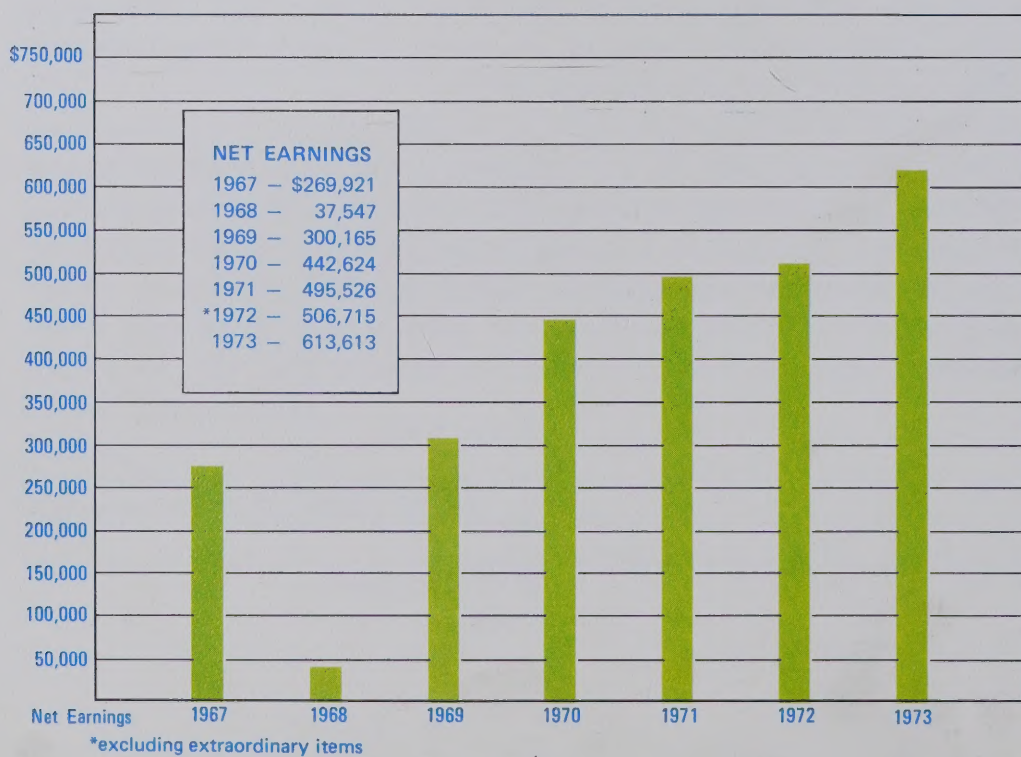


W. R. Hodgson,
President.

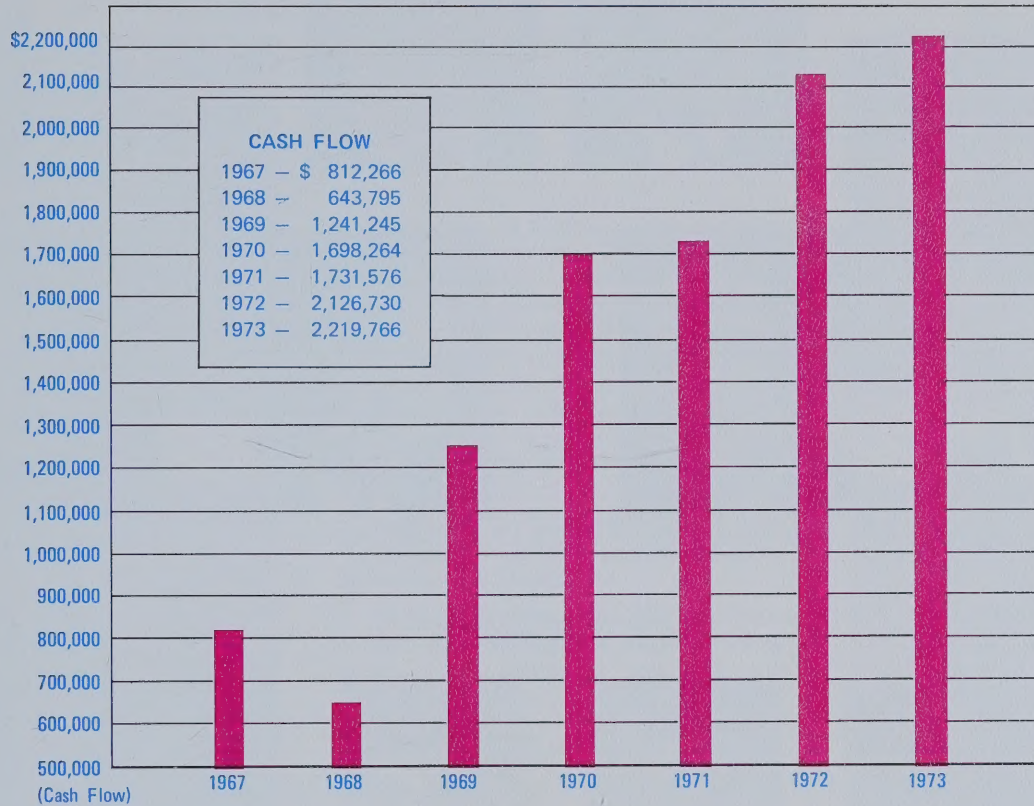
SALES



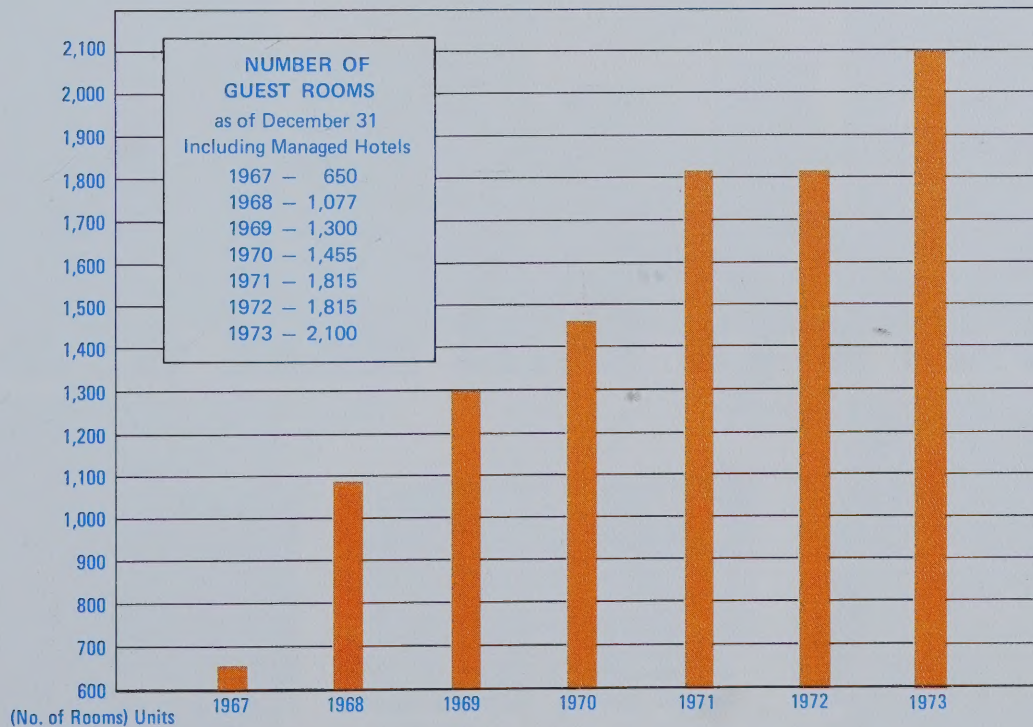
NET EARNINGS



CASH FLOW



GUEST ROOMS



DIRECTORS

CHARLES A. McKECHNIE
Director & Senior Vice President,
Corporate Affairs and member of
the Executive Committee

JAMES W. V. ANDREWS
Director
Joint Managing Director
Capital & Counties Property
Company Limited

DENNIS R. G. MARLER,
FRICS, FAI
Director
Joint Managing Director,
Capital & Counties Property
Company Limited

JOHN B. HAMILTON, Q.C.
Director

FRANK F. HULL
Director

FREDERICK H. DANIELS
Director

H. L. ROWNTREE, Q.C.
Director

JOSEPH SEDGWICK, Q.C.
Director

OFFICERS

ROBERT S. McCAFFREY, C.A.
Vice President and
Secretary-Treasurer
and member of the
Executive Committee

RUDY D. PRINS
Vice President and
Managing Director,
Skyline Hotels International Ltd.
and member of the
Executive Committee

DENNIS E. GRIMM
Vice President,
Sales and Marketing
and member of the
Executive Committee

PHILIP BOREL
General Manager,
Canadian Hotel Operations

MERVYN M. HAMMOND
Director of Purchasing

ALBERT W. LININGTON
Director of Advertising and
Public Relations

HOTEL MANAGERS

HARRY M. BAILEY
General Manager
Skyline Toronto

GORDON E. CLAYTON
General Manager
Skyline Brockville

WALTER W. VICKERS
General Manager
Skyline London and
Skyline Park Tower

RÉJEAN RONDEAU
General Manager
Skyline Montreal

A. SCHWARZ
General Manager
Skyline Ottawa

KEITH GREEN
Manager
Skyline London England

NICK BEHARD
Manager
Skyline Park Tower
London England

R. O. SCHMITZ
General Manager
Skyline Kingston, Jamaica

R. M. DIEZ
General Manager
El Panamá, Skyline
Panama, R.P.

The new Old Mill



The Brûlé Room



Entrance to Banquet Rooms



The Royal Oak Room



The Print Room

*"We've kept it the way you like it
and made it what you never
thought it could be"*

The Old Mill. A familiar name to Canadians for generations. One of Canada's favourite dining rooms since 1914. Renowned for its history, its atmosphere, its great traditions and its fine collection of antiques. When Skyline took over the Old Mill, a pledge was made to maintain its history, to enhance the same fine atmosphere, to embellish the old traditions, and to give guests even more of the same character.

Now with the end of the second stage of renovation, all of the scheduled plans have been completed.

Of special interest are the reception rooms for social and family occasions... for banquets, meetings and parties. A beautiful Chapel for wedding ceremonies, together with a romantic and intimate Honeymoon Cottage.



The Lanterned Dining Room



The Grand Staircase



The Cottage Sitting Room



The Chapel

SKYLINE HOTELS LIMITED

(Under the Business Corporations Act, Ontario)

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1973

(with 1972 figures for comparison)

ASSETS

CURRENT ASSETS:	1973	1972
Cash	\$ 50,956	\$ 150,277
Accounts receivable	2,216,211	1,950,950
Inventories — at cost	611,892	450,515
Prepaid expenses and sundry assets	380,371	385,909
 Total current assets	 3,259,430	 2,937,651
FIXED ASSETS (Note 2):	26,701,562	21,962,159
DEFERRED COSTS (Note 3):		
Development costs of proposed projects	121,707	99,237
Opening and establishment costs less accumulated amortization of \$493,068 (1972 — \$389,683)	976,401	684,409
Financing costs less accumulated amortization of \$143,036 (1972 — \$83,631)	287,870	343,310
Total deferred costs	1,385,978	1,126,956
OTHER ASSETS:		
Loans receivable	55,552	56,856
Organization expenses and goodwill on consolidation	65,703	83,877
Total other assets	121,255	140,733
TOTAL	\$31,468,225	\$26,167,499

Approved by the Board:

W. R. Hodgson, Director

C. A. McKechnie, Director

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Skyline Hotels Limited as at December 31, 1973 and the consolidated statements of earnings, surplus and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

SKYLINE HOTELS LIMITED

(Under the Business Corporations Act, Ontario)

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1973

(with 1972 figures for comparison)

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

	1973	1972
Bank indebtedness (Note 4)	\$ 989,824	\$ 1,094,900
Accounts payable:		
Trade	3,476,682	3,184,863
Construction	789,907	—
Income taxes payable	155,730	8,182
Dividend payable	168,000	168,000
Long-term debt due within one year	627,927	576,900
Total current liabilities	6,208,070	5,032,845
LONG-TERM DEBT (Notes 4 and 5):	17,214,927	13,710,290
DEFERRED INCOME TAXES (Note 6):	1,560,166	1,167,236
MINORITY INTEREST IN SUBSIDIARY (Note 7):	980,306	1,011,810

SHAREHOLDERS' EQUITY:

Capital stock:

Authorized:

6,000,000 common shares without par value

Issued and fully paid:

2,240,000 shares

Surplus

Total shareholders' equity

TOTAL

2,752,030	2,752,030
2,752,726	2,493,288
5,504,756	5,245,318
\$31,468,225	\$26,167,499

The accompanying notes form an integral part of these financial statements.

In our opinion, these consolidated financial statements present fairly the financial position of the companies at December 31, 1973 and the results of their operations and the source and application of their funds for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada, April 5, 1974.

DELOITTE, HASKINS & SELLS Chartered Accountants

SKYLINE HOTELS LIMITED
CONSOLIDATED STATEMENT OF SURPLUS
For The Year Ended December 31, 1973
(with 1972 figures for comparison)

	1973	1972
RETAINED EARNINGS AT BEGINNING OF THE YEAR:		
As previously reported	\$ 2,532,495	\$ 2,269,802
Costs relating to the issue of shares in a prior year (Note 8)	153,523	153,523
As restated	2,378,972	2,116,279
NET EARNINGS FOR THE YEAR:	613,613	430,693
	<u>2,992,585</u>	<u>2,546,972</u>
DEDUCT:		
Dividends	336,000	168,000
Goodwill written off	18,175	—
	<u>354,175</u>	<u>168,000</u>
RETAINED EARNINGS AT END OF THE YEAR:	2,638,410	2,378,972
CONTRIBUTED SURPLUS (no change during the year):	114,316	114,316
SURPLUS AT END OF THE YEAR:	<u>\$ 2,752,726</u>	<u>\$ 2,493,288</u>

The accompanying notes are an integral part of these financial statements.



SKYLINE TORONTO CANADA

SKYLINE HOTELS LIMITED
CONSOLIDATED STATEMENT OF EARNINGS
For The Year Ended December 31, 1973
(with 1972 figures for comparison)

	1973	1972
REVENUE:.....	\$26,797,203	\$24,526,958
COST OF SALES AND OPERATING EXPENSES:	22,827,159	20,999,222
EARNINGS BEFORE THE UNDERNOTED ITEMS:	3,970,044	3,527,736
INTEREST INCOME:	—	60,810
	3,970,044	3,588,546
OTHER EXPENSES:		
Interest on long-term debt	1,492,068	1,385,951
Other interest	97,505	79,008
Amortization of financing costs (Note 3)	59,405	50,035
Depreciation and amortization of fixed assets (Note 2)	1,081,937	1,047,994
Amortization of opening and establishment costs (Note 3)	103,385	94,258
	2,834,300	2,657,246
EARNINGS BEFORE INCOME TAXES AND MINORITY INTEREST:	1,135,744	931,300
INCOME TAXES (Note 6):		
Currently payable	160,705	8,182
Deferred	392,930	450,414
	553,635	458,596
EARNINGS BEFORE MINORITY INTEREST:	582,109	472,704
INTEREST OF MINORITY SHAREHOLDERS IN LOSS OF SUBSIDIARY:	(31,504)	(34,011)
EARNINGS BEFORE EXTRAORDINARY ITEMS:	613,613	506,715
EXTRAORDINARY ITEMS — loss:	—	(76,022)
NET EARNINGS FOR THE YEAR:	\$ 613,613	\$ 430,693
PER SHARE:		
Earnings before extraordinary items	27¢	23¢
Extraordinary items — loss	—	(4¢)
Net earnings	27¢	19¢

The accompanying notes are an integral part of these financial statements.

SKYLINE LONDON
HEATHROW ENGLAND



SKYLINE HOTELS LIMITED
CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
For The Year Ended December 31, 1973
(with 1972 figures for comparison)

	1973	1972
SOURCE OF FUNDS:		
Earnings before extraordinary items	\$ 613,613	\$ 506,715
Add charges not requiring outlay of funds:		
Depreciation and amortization of fixed assets	1,081,937	1,047,994
Amortization of deferred costs	162,790	144,293
Deferred income taxes	392,930	461,739
Interest of minority shareholders in loss of subsidiary	(31,504)	(34,011)
Funds provided from operations	<u>2,219,766</u>	<u>2,126,730</u>
Exchange gain on repayment of debt	—	81,367
Proceeds of issue of long-term debt	<u>4,152,800</u>	<u>13,770,705</u>
Total funds provided	<u>6,372,566</u>	<u>15,978,802</u>
APPLICATION OF FUNDS:		
Fixed asset additions, less disposals of \$13,528 (1972 — \$119,973)	5,821,640	1,954,016
Long-term debt repayments:		
Scheduled repayments	597,137	720,385
Refinancing	—	12,228,433
Dividends on common shares	336,000	168,000
Financing costs	3,965	—
Opening and establishment costs	395,377	88,444
Organization expenses	—	4,512
Development costs of proposed projects	22,170	101,465
Loans receivable	(1,304)	5,251
Total funds applied	<u>7,174,985</u>	<u>15,270,506</u>
DECREASE (INCREASE) IN WORKING CAPITAL DEFICIENCY:		
(exclusive of changes in long-term debt due within one year)	<u>\$ (802,419)</u>	<u>\$ 708,296</u>

The accompanying notes are an integral part of these financial statements.



SKYLINE BROCKVILLE CANADA

SKYLINE HOTELS LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 1973

1. BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the company and its subsidiaries (adjusted where necessary to conform with the company's accounting policies) after elimination of inter-company balances and transactions. The subsidiaries are as follows:

	<i>Ownership</i>
Skyline Hotels (Montreal) Limited	100%
Skyline Hotels International Limited	100%
Skyline Hotels (London) Limited	75%
Skyline Hotels (Caribbean) Limited	100%

Foreign currencies have been translated on the following basis:

Current assets and liabilities — exchange rates in effect at the year end.

Non-current assets and liabilities — historical exchange rates.

Income and expenses — average exchange rates during the year, except for depreciation and amortization which have been translated on the same basis as the related assets.

2. FIXED ASSETS

Fixed assets and accumulated depreciation and amortization (determined under the straight-line method) at December 31 are as follows:

	<i>1973</i>		<i>1972</i>		
	<i>Cost</i>	<i>Accumulated Depreciation and Amortization</i>	<i>Net Book Value</i>	<i>Net Book Value</i>	<i>Rates of Depreciation and Amortization</i>
Land	\$ 1,584,299	\$ —	\$ 1,584,299	\$ 350,988	—
Paving	476,735	123,000	353,735	383,547	7%
Buildings	13,495,473	1,510,691	11,984,782	11,647,241	1-2/3%
Equipment and sundry	8,656,609	3,078,385	5,578,224	5,165,172	10%
Leasehold interest and improvements	6,539,091	374,954	6,164,137	3,528,338	Term of lease (including in certain instances term of renewal)
	<u>\$30,752,207</u>	<u>\$ 5,087,030</u>	<u>\$25,665,177</u>	<u>\$21,075,286</u>	
Tableware, linen and uniforms — at cost (see below)			1,036,385	886,873	
			<u>\$26,701,562</u>	<u>\$21,962,159</u>	

The company uses a par stock method of accounting for tableware, linen and uniforms under which a basic stock of these items is included in fixed assets in respect of each facility in operation. Replacements are expensed when placed in service.

During the current year, the company refined the practice under which excess tableware, linen, and uniforms purchased as reserve stock are valued at cost and included in prepaid expenses. This practice was followed in respect of certain reserve stocks in prior years. The effect of this refinement in accounting practice is not significant in relation to 1973 earnings.

SKYLINE PARK TOWER LONDON



3 DEFERRED COSTS

(a) Development Costs of Proposed Projects:

These costs represent investigation costs, legal fees and other expenses in connection with the development of specific projects currently under consideration. These costs will be added to the cost of project fixed assets, deferred as opening and establishment costs or written off as appropriate.

(b) Opening and Establishment Costs:

The operating results of new hotels (or major additions) and catering facilities are included under the deferred category of opening and establishment costs until the facility is fully operative or until receipt of a completion certificate from the project architects. In no event is this period to exceed ninety days from the first day of commencement of business. The opening and establishment costs are amortized over a ten-year period commencing on the date the new facility is considered fully operative, or at the end of the ninety-day period, whichever is the earlier.

(c) Financing Costs:

Financing costs, which relate to long-term debt, are amortized in equal annual instalments over the terms of the respective debt issues.

4. ASSETS PLEDGED

The Company's bank indebtedness, including the bank term loans referred to in Note 5, is collaterally secured by general assignment of book debts and a second charge on the Toronto hotel property.

5. LONG-TERM DEBT

Long-term debt consists of:

	1973	1972
First mortgage, 9.5% due 1982, secured by the Toronto hotel property	\$12,158,000	\$12,392,000
Bank term loans at interest rates approximating 2% above the bank prime rate, due 1975 (\$3,999,765) and 1977 (\$733,344) (See Note 4)	4,733,109	933,336
Chattel mortgage, 12.5% due 1976	255,526	326,283
Instalment contracts secured by retention of title to equipment	121,269	213,416
Shareholder's loan, 10% due 1977	553,035	400,000
Sundry (secured)	21,915	22,155
	<u>17,842,854</u>	<u>14,287,190</u>
Less amount due within one year	627,927	576,900
	<u>\$17,214,927</u>	<u>\$13,710,290</u>



SKYLINE MONTREAL CANADA

5. LONG-TERM DEBT (continued)

Subsequent to the year end, the company's bank term loans were renegotiated and the maturity dates were extended to 1977. After giving effect to this extension, principal payments on long-term debt falling due in each of the next five years are as follows:

1974	\$ 627,927
1975	626,441
1976	602,810
1977	5,028,168
1978	372,000

6. INCOME TAXES

The company and its subsidiaries adopted the tax allocation basis of accounting for income taxes in 1970, but did not retroactively adjust their accounts for 1969 and prior years. As at December 31, 1973, the cumulative amount of unrecorded deferred tax credits aggregate \$857,520.

A subsidiary of the company is entitled to the benefits of a ten-year tax holiday until 1980 under Jamaican incentive legislation.

7. MINORITY IINTEREST IN SUBSIDIARY

In lieu of investment by way of equity, the minority shareholder of Skyline Hotels (London) Limited advanced monies to the subsidiary by way of non-callable loans, which have no due date and can be repaid only out of profits of the subsidiary. The minority interest in subsidiary included in the consolidated balance sheet is comprised of the following:

Non-callable loans	\$1,007,655
Less share of net capital deficiency of the subsidiary	27,349
	<u>\$ 980,306</u>

8. SHARE ISSUE COSTS

During the year the company settled licence transfer fees levied by The Liquor Licence Board of Ontario under the provisions of The Liquor Licence Act of Ontario in respect of the issue of shares by the company in 1968. As the fees and related costs, aggregating \$153,523, are applicable to years prior to January 1, 1972, the amount has been charged to consolidated retained earnings at that date, previously reported as \$2,269,802.

9. STATUTORY INFORMATION

- (a) The aggregate direct remuneration paid by the company and its subsidiaries to the directors and senior officers of the company for 1973 was \$156,098 (1972 — \$142,390).
- (b) As at December 31, 1973, debts owing to the company by directors, officers and shareholders aggregated \$54,510.

SKYLINE OTTAWA CANADA



10. COMMITMENTS

- (a) The company and its subsidiaries have contractual obligations in respect of long-term leases of hotel real estate and head office facilities having varying expiry dates from 1983 to 2027, some of which contain options to renew for further periods. The rentals incurred in respect of these obligations for the year ended December 31, 1973 aggregated \$2,114,974 (1972 — \$1,960,040). The minimum rentals (exclusive of escalation and percentage of sales adjustments) to be incurred in each of the years 1974 to 1982 aggregate approximately \$2,038,100.
- (b) During the year the company commenced construction of an extension to the Skyline Hotel in Toronto at an estimated cost of \$4,800,000. Financing for this expenditure has been arranged by way of bank term loans.
- (c) During the year the company negotiated a long-term contract in respect of the management of the El Panama Hotel in Panama City as well as a related contract for supervision of renovations and extensions to that hotel. As part of this arrangement, the company has agreed to acquire a minority share interest in the company which owns this hotel, at an aggregate cost of \$502,200 (U.S.). This amount is to be paid at the rate of \$50,220 (U.S.) annually in each of the years 1975 to 1984, out of profits earned under the management contract.

11. CONTINGENT LIABILITIES

The company is the defendant in various actions, which it is contesting, in respect of claims for fees relating to development aggregating \$91,600 and other claims, which, in the opinion of management, are not material in relation to the company's financial position.

12. BRITISH GOVERNMENT GRANT

A subsidiary, Skyline Hotels (London) Limited, has received the benefit of a British Government grant (\$899,640) which has been applied in the accounts in reduction of the related fixed assets and hotel establishment costs. The conditions of the grant require that defined hotel facilities be maintained for a period of ten years, failing which a proportion of the grant may be reclaimed.

13. COMPARATIVE FIGURES

Certain 1972 figures have been reclassified to conform with the 1973 presentation, and have been restated to reflect the prior year adjustment mentioned in Note 8. The prior year figures were reported on by other chartered accountants and are not covered by the audit opinion of Deloitte, Haskins & Sells.



SKYLINE KINGSTON JAMAICA

In the knowledge that by hardening our skin we achieve a better operation, we are continuing to grow.

The hospitality industry is becoming more and more competitive and we can operate profitably for years to come.

Illustrated on this page are examples of our diverse business.

SKYLINE DIVERSIFICATION



Medical Bldg.

Marlborough Residence - Ottawa

The Grand Line Restaurant - Toronto

DIVERSIFICATION

In the knowledge that by broadening our base, we structure a better operation, we are continuing to diversify.

The hospitality industry in increasing numbers are recognizing that we can operate profitably for others as well as for ourselves.

Illustrated on this page are 5 examples of our diversification.



Café de la Paix — Ottawa



Contempera Restaurant — Ottawa



Medical Inn



Knickers Restaurant — Toronto



The Bread Line Restaurant — Toronto

